OMB Approval 2700-0042 1. CONTRACT ID CODE PAGES AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 2. AMENDMENT/MODIFICATION NO. 3. EFFECTIVE DATE 4. REQUISITION/PURCHASE REQ. NO. 5. PROJECT NO. (if applicable) M232 See Block 16C 6. ISSUED BY CODE 7. ADMINISTERED BY (If other than Item 6) CODE U.S. Department of Energy Richland Operations Office 825 Jadwin Avenue, MSIN A7-80 Richland, WA 99352 8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code) 9A. AMENDMENT OF SOLICITATION NO. Fluor Hanford, Inc. 2420 Stevens Center 9B. DATED (SEE ITEM 11) PO Box 1000 10A. MODIFICATION OF CONTRACT/ORDER NO. Richland, WA 99354 DE-AC06-96RL13200 10B. DATED (SEE ITEM 13) CODE FACILITY CODE 08/06/96 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified. 12. ACCOUNTING AND APPROPRIATION DATA (If required) \$0.00 N/A 13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority). THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A. (Z) (A. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b). THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: D. OTHER Specify type of modification and authority) H.33; Performance Objectives, Measures, Expectations, and Fee Distribution E. IMPORTANT: Contractor is not, □ is required to sign this document and return _____ copies to the issuing office. 14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) The purpose of this modification is to incorporate Performance Incentive RL-020/011-A into Part III, Section J, Appendix D of the contract. Attachment: Performance Incentive RL-020/011-A. Except at provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect. 15A. NAME AND TITLE OF SIGNER (Type or print) 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Keith A. Klein Manager 15B. CONTRACTOR/OFFEROR 15C. DATE SIGNED 16B. UNITED STATES OF AME 16C. DATE SIGNED BY

(Signature of person authorized to sign)

(Signature of Contracting Officer)

DUPLICATE

FY 2005 - FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0 August 9, 2005

PBS: RL-0020, Safeguards and Security

PBS: RL-0011-A, NM Stabilization and Disposition - PFP

Allocated Fee: \$7.0M of the fee available in Contract Clause B.4

Performance Objective 1: Execute Hanford's Security Enhancement Project, leading to construction and loading of an Interim Secure Storage Facility (241-Z) and installation of security enhancements to ensure compliance with the 2004 Design Basis Threat before September 2008

Performance Objective 1a: Develop and implement provisions for Interim Secure SNM Storage by 30 September 2006

\$1.5M may be earned as follows:

- 1) \$0.25M may be earned as provisional payment upon completion of conceptual design for a compliant storage facility.
- 2) \$0.25M may be earned as provisional payment for submittal of preliminary safety basis documentation (PDSA) in support of the Interim Secure Storage Facility (ISSF)
- 3) \$0.25M may be earned as provisional payment for submittal of project NEPA documentation.
- 4) \$0.25M may be earned as provisional payment for completion of detailed design sufficient to initiate construction modifications.
- 5) \$0.50M may be earned as progress payment for formal turnover of the facility for construction, and items 1 through 4 convert to progress payment upon the successful completion of item 5.

Completion Criteria:

- 1) Conceptual engineering is complete when a conceptual design report is transmitted to RL.
- 2) Preliminary DSA submittal to RL.
- 3) Draft NEPA submittal to RL.
- 4) Completion of detailed design for the ISSF to support preparation of a construction statement of work.
- 5) A letter will be submitted to RL documenting the transfer of the facility from D&D to construction, including but not limited to Professional Engineer (PE) and operator certifications for RCRA Closure.
- 6) Payment of fees for items 1 through 5 above will only be made upon RL's determination that FHI's submissions are of an acceptable quality.

Assumptions:

None Identified.

Government Furnished Services/Items:

None Identified.

Performance Objective 1b: Facility clean-out and tank removal by 30 September 2006

\$5M may be earned as progress payment as follows:

- 1) \$2.5M may be earned in five (5) equal increments of \$500K for completion of the cell preparation phase for each of 5 cells
- 2) \$2.5M may be earned in five (5) equal increments of \$500K for the tank removal phase for each of 5 tanks.
- Completion Criteria: 1) The cell preparation phase is complete when the cells are characterized, debris has been removed from cells, utilities have been isolated, process piping, chemical piping, waste and product transfer piping, conduits, and other obstructions have been removed

DUPLICATE ORIGINAL

FY 2005 - FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0 August 9, 2005

PBS: RL-0020, Safeguards and Security

PBS: RL-0011-A, NM Stabilization and Disposition - PFP

Allocated Fee: \$7.0M of the fee available in Contract Clause B.4

to allow the tanks to be lifted out of the cells, piping has been checked for residual hazards, a plan is in place for the disposition of the tanks, and a contractor activity-based management review has been conducted verifying readiness to initiate tank removal activities. Excluded from the preparation phase is demolition of the sheet metal structure over 241-Z and removal of the cell cover blocks. Cell preparation will be done in accordance with the RCRA Closure and CERCLA Above Grade Structures Action Memorandum and Work Plans. Disposition of tanks, piping and other waste is not part of the Security Enhancement Project scope; critical waste streams generated by this activity are incentivized under other PBSs.

2) The tank removal phase is complete when the cell cover blocks have been removed, waste tanks have been removed, process piping, chemical piping, waste and product transfer piping has been removed back to the cell walls or verified as empty, loose debris and waste has been removed, contamination has been fixed sufficiently to allow cell entry without respiratory protection, and the 241-Z facility is in a condition consistent with the construction contract Statement of Work existing conditions and PE and operator certifications for RCRA Closure activities have been completed. Actions taken to complete this work scope will be in accordance with the 241-Z RCRA Closure Plan and the CERCLA Above Grade Structure Action Memorandum and Work Plans. Non-process piping and components, conduits, access platforms, and above grade components may remain as long as they do not present significant safety or radiological contamination concerns and provided they will not prevent PE certification of RCRA closure activities or interfere with future modification activities. The 241-Z exhaust system may remain to support contamination control if required. Disposition of tanks, piping and other waste is not part of the Security Enhancement Project scope; critical waste streams generated by this activity are incentivized under other PBSs.

Assumptions:

None Identified.

Government Furnished Services/Items:

• DOE will allow staff transferring to PFP escorted access within the protected area pending security clearances.

Performance Objective 1c: Security Enhancements

\$0.5M may be earned as progress payment as follows:

1) \$0.5M may be earned in five (5) equal increments for demolition of five (5) DBT related ancillary facilities.

Completion Criteria:

1) The five (5) DBT facilities to be demolished will be identified by RL in a letter of direction to be provided no later than October 31, 2005. The letter of direction will also include appropriate completion criteria for the specific facilities identified.

Assumptions:

None Identified.



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FY 2005 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0 August 9, 2005

PBS: RL-0020, Safeguards and Security

PBS: RL-0011-A, NM Stabilization and Disposition - PFP

Allocated Fee: \$7.0M of the fee available in Contract Clause B.4

Government Furnished Services/Items:

• DOE will allow staff transferring to PFP escorted access within the protected area pending security clearances.

R. G. Gallagher, President & Chief Executive Officer
Fluor Hanford, Inc.

K.A. Klein, Manager

Date

Richland Operations Office

RL-CO St Date 8/19/05